

Despite the negative USDA report last week for corn, traders just could stomach the idea (or more likely realize that fundamentally it was not possible) to send prices lower. So, prices rose on Friday (17 cents to be exact) to finish corn on a high for the week. Crop tour results took place last week and there is talk of lower numbers, but that might already be priced into the market. Demand would have to be outstanding this harvest period for us to get back into the \$2.50 range (December futures) so hedges should be on. Funds jumped into the market on Monday (fortunately they were buying) and so corn continued its bullish upward trend. On Tuesday there was not much price movement but traders still felt that this market could hold onto its upward trend but on Wednesday the market gave back a bit of the built up confidence. Harvest expectations are going to give this market direction. Soybeans had a great week last week by ending higher! The bad news is that it was just 4 cents higher. Soybeans and corn are in the same game – looking stronger but also looking fragile. Some analysts are suggesting that it might be worth lifting some hedges that have been put in place if a bounce occurs. I am a little scared to suggest that, but, if you can live with the risk, then maybe follow that advice. The market is just too fragile to 100% recommend that. This week beans closed higher on Monday after starting lower. Reports show funds as being very short in this market. Does that mean we should be bearish? Quite the reverse some say, eventually these funds will have to cover their positions – so a bounce might occur there too. Indeed, the funds bought back almost 10,000 contracts on Monday. Tuesday was slow and an “inside day” (lower high, higher low) so was a quiet day, but Wednesday was decidedly wild. Technical buying and frost reports pumped the market up. Traders however were looking forward to the Thursday export report and the crush report and were happy to see USDA export sales totals were up to 527,500 tons for new crop and 17,500 tons for old crop, and soybean crush in July was 115.27 million bushels, above the total of 109.36 million bushels in June. Wheat’s upward move last week meant we had positive price moves all around. CBT wheat was 13 cents up (I am not used to saying wheat and upwards in the same sentence). It was corn performance and technical activity that drove that. This week Statistics Canada came in with numbers (25.6 m) above the USDA projections (24.5) and that sent prices down. Don’t be dismayed! This numbers don’t take into account recent weather developments.

BASIS TABLE

LOCATION	CORN BASIS		SOYBEAN BASIS		WHEAT BASIS	
	CASH (Sep04)	NEW (Dec04)	CASH (Aug04)	NEW(Nov04)	CASH(Sep04)	NEW(Jul05)
Western MD	+59	n/a	-22	n/a	-8	n/a
Central MD	+41	Even	-26	-38	Even	-4
Southern MD	+24	-5	n/a	-32	-44	n/a
Upper E. Sh	+17	+5	n/a	-55	-19	n/a
Lower E. Sh	+26	+10	n/a	-16	-13	-26

WEEKLY CROP WEATHER SUMMARY

MARYLAND AGRICULTURAL STATISTICS SERVICE

Air temperatures were in the 90's last week and many areas received between a half an inch to an inch of precipitation. Sunshine with a few scattered showers resulted in 5.1 **days suitable for field work**. Lower rainfall totals this past week allowed fields to start to dry out from the rains two weeks ago. **Corn** is looking very good with 49 percent of the crop in the dent stage and 9 percent beginning to mature. **Corn for silage** harvest is underway with 16 percent complete. **Soybeans** are almost done setting pods while **sorghum** fields have started to turn color. Farmers are harvesting their third cutting of **other** and **alfalfa hay**.

CASH GRAINS - REGIONAL - (\$/bu) DEALERS AVERAGE CASH QUOTES

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	8/18	8/25	8/18	8/25	8/18	8/25	8/18	8/25
Western Md	2.86	2.87	6.29	6.30	2.45	2.98	2.15	2.05
Central MD	2.64	2.69	6.03	6.26	3.02	3.06	2.15	2.15
Southern MD	2.46	2.52	6.71	6.86	2.52	2.62	1.70	1.70
Upper E. Shore	2.51	2.45	6.76	6.98	2.83	2.87	1.80	1.80
Lower E. Shore	2.59	2.54	6.80	7.02	2.89	2.93	1.76	1.76

Soybean Meal Lower Eastern Shore Dealer’s Average Cash quotes (\$/ton)

Date	8/11	8/25	Date	8/11	8/25
48% Soybean Meal	245.00	244.00	44% Soybean Meal	233.00	234.00

FORWARD CONTRACT PRICE-REGIONAL (\$/BU) for Harvest delivery Dealer’s Avg Quotes

Grade and Commodity	#2 Y Shelled Corn		#2 Yellow Soybeans		#2 Red Winter Wheat		#3 Barley	
	8/18	8/25	8/18	8/25	8/18	8/25	8/18	8/25
Western Md	----	----	----	----	----	----	----	----
Central MD	2.36	2.37	5.48	5.75	3.22	3.15	----	----
Southern MD	2.26	2.32	5.56	5.81	----	----	----	1.65
Upper E Shore	2.41	2.42	5.66	5.88	----	----	----	1.65
Lower E Shore	2.46	2.47	5.75	5.97	3.12	2.93	----	1.65

GRAIN FUTURES- Chicago Board of Trade (\$/bu) Settle - Aug 25, 2002

Corn		Soybeans		Wheat		Soybean Meal ¹	
Sep	228.00	Sep	623.20	Sep	306.00	Sep	194.00
Dec	237.00	Nov	612.40	Dec	319.00	Oct	183.00
Mr05	245.00	Ja05	618.00	Mr05	330.40	Dec	183.20
May	250.40	Mar	624.00	May	334.60	Ja05	184.60
Jul	254.60	May	626.00	Jul	338.20	Mar	187.90
Sep	256.40	Jul	626.40	Sep	345.00	May	188.70

¹ \$/ton

HAY AND STRAW									
New Holland, PA - \$/ton - Aug 23, 2004 - 71 Loads									
Alfalfa		Mixed		Timothy		Orchardgrass		Straw	
92.00-190.00		65.00-197.00		75.00-207.00		90.00-140.00		60.00-175.00	
Westminster, MD - \$/bale - Aug 24, 2004 - 190 Lots									
Alfalfa		Alfalfa Mix		Timothy		Timothy Mix		Grass Mix	
1.50-5.10		2.80-4.60		2.30-3.50		1.00-3.50		2.50-4.10	
								Mulch	
								.05 - .80	
								Straw	
								1.80-3.00	
POULTRY (Grade A) - Week Ending Aug 28, 2004									
		Current Week		Week Ago		Month Ago		Year Ago	
NY Wtd Avg. (Fryers)		68.69		69.96		79.42		58.83	
12 City Composite		74.34		75.56		80.16		63.60	
LAMBS - Westminster, MD - \$/cwt - Aug 24, 2004									
30- 40 lbs		65.00- 90.00		Yearlings		Sheep			
60- 80 lbs		100.00-117.50		130 lbs & Up		60.00-77.00		All Weights	
90-110 lbs		88.00-103.00						43.00-74.00	
TERMINAL MARKETS HOGS - Aug 25, 2004					DIRECT MARKET HOGS - Westminster, MD - Aug 17, 2004				
Base Price Range (\$/cwt)		Carcass Basis		Sows (1-3)		Butcher Hogs		210-270 lbs	
a.m.		Base 185 lb Hog		300-449 lbs		Sows		400-600 lbs	
Iowa, Minn		62.00-73.00		21.12-48.35				46.00-49.00	
Eastern Cornbelt		63.50-71.01		37.00-53.79				40.50-45.00	
						Millsboro, DE Market Hogs - (\$/cwt) -		Next Sale Sep 21, 2004	
FEEDER PIGS - (\$/cwt) -									
Gumboro, DE -					New Holland, PA - Aug 25, 2004				
Head:		Trend:			Head: 390		Trend: All slaughter		
		Next Sale Sep 21, 2004					40 lbs 95.00-100.00		
CATTLE-LIVE FUTURES-Chicago Mercantile Exchange (\$/cwt) - Aug 25, 2004					HOGS-LEAN FUTURES-Chicago Mercantile Exchange (\$/cwt) - Aug 25, 2004				
Aug		83.13		Dec		86.60		Oct	
Sep		85.50		Fb05		87.48		Dec	
Oct		83.55		Apr		85.90		Fb05	
								Apr	
								May	
								Jun	
								60.40	
								61.03	
								64.13	
STOCKER-FEEDER CATTLE - (\$/cwt)									
Winchester, VA - Aug 23, 2004					Westminster, MD - Aug 17, 2004				
Steers		300-400 lbs		136.00-142.00		Steers (M&L)		300-400 lbs	
		400-500 lbs		121.00-134.50				600-700 lbs	
		500-600 lbs		112.00-129.00		Heifers (M&L)		200-300 lbs	
		600-700 lbs		102.00-117.00				400-500 lbs	
		800-900 lbs		98.00-105.50				900 lbs	
Heifers		300-400 lbs		114.00-133.00		Hols Bull Returned to feed			
		400-500 lbs		119.00-129.00				80- 90 lbs	
		500-600 lbs		102.00-116.75				95-100 lbs	
		600-700 lbs		95.00-105.00				105-115 lbs	
		700-800 lbs		98.50- 99.50		Holstein Heifers		#1	
								#2	
						Beef X Bulls			
						Beef X Heifers			
								275.00-370.00	
								210.00-275.00	
								165.00-167.50	
								100.00-102.50	
Lancaster, New Holland & Vintage - Week Ending - Aug 28, 2004									
Bull, Holstein		90-120 lbs		142.00-165.00		Plainer		90-120 lbs	
Heifers, Hols		90-120 lbs		400.00-550.00		Plainer		90-120 lbs	
								140.00-165.00	
								325.00-390.00	
SLAUGHTER CATTLE (\$/cwt)									
Westminster, MD - Aug 25, 2004									
Fed Steers					Fed Heifers				
H-Ch & Pr-H		84.00-87.50			H-Ch & Pr		84.00-87.50		
L-Ch		80.00-83.00			L-Ch		80.73-83.00		
Select		73.00-82.00			Select		77.00-82.00		
Lg thin Holsteins		54.00-62.25			Heiferettes		70.50-71.50		
Cows					Calves				
High Dressing		50.25-57.00			Slaughter		50.00-90.00		
Breakers		45.00-50.00			Jersey		10.00-50.00		
Boners		39.00-44.00							
Thin & Slow		38.00-Down							
Free Martins		59.00-63.00							
Lancaster, New Holland & Vintage - Week Ending - Aug 21, 2004									
Steers, Ch 2-3		1140-1485 lbs		79.75-82.50		None			
Cows, Breakers 75-80 pct lean				54.50-58.25		Weak to \$1.00 lower			
Bullocks,		1135-1400 lbs		72.00-76.50		None			
Bulls, YG 1		1135-1985 lbs		62.00-70.00		None			

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